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CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF OHIO  
CLEVELAND

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

JAMES A. TRAFICANT, Jr.

Defendant.

4:01 CR 207

) Criminal No.

) Judge:

JUDGE WELLS

) Violations:

) Title 18 U.S.C.

) Sections 371, 201(c)(1)(B),

) 1503, 1962(c) and 2; and

) Title 26 U.S.C. Section 7206(1)

)

INDICTMENT

The Grand Jury charges:

GENERAL ALLEGATIONS

1. At all times relevant to this Indictment, JAMES A. TRAFICANT, Jr., the Defendant, was a Member of the United States House of Representatives, representing the 17th Congressional District in the State of Ohio that included the area in and around Youngstown, Ohio. As such, he was a public official within the meaning of Title 18, United States Code, § 201(a)(1).

2. Defendant TRAFICANT maintained several offices for the purpose of conducting his official congressional duties, including offices in Washington, D.C., Youngstown, Ohio, Boardman, Ohio, and Niles, Ohio.

3. Defendant TRAFICANT resided at 429 North Main Street, Poland, Ohio. TRAFICANT purchased his residence on or about October 21, 1966. On or about November 18, 1982, ownership of the residence was transferred to Defendant TRAFICANT's wife. On or about July 27, 1987, ownership of the residence was transferred to Defendant TRAFICANT's father. On or about July 24, 1994, ownership of the residence was transferred to Defendant TRAFICANT's wife.

4. Defendant TRAFICANT operated a farm at 6908 West South Range Road, Greenford, Ohio (hereinafter referred to as "Defendant TRAFICANT's farm" or "the farm"). Defendant TRAFICANT purchased the farm on or about August 29, 1969 with his father, mother and wife. On or about February 9, 1983, ownership of the farm was transferred to Defendant TRAFICANT's wife. On or about July 20, 1987, ownership of the farm was transferred to Defendant TRAFICANT's father. On or about July 21, 1994, ownership of the farm was transferred to Defendant TRAFICANT's wife. On or about December 10, 1999, ownership of the farm was transferred to Defendant TRAFICANT's daughter.

5. From January 1985 through May 1998, the exact dates being unknown, Charles O'Nesti held various positions within Defendant TRAFICANT's office, including District Director in the Youngstown, Ohio office, and was assigned to work on various matters including constituent services.

6. At all times relevant to this Indictment, Anthony R. Bucci and Robert T. Bucci, Sr. (collectively referred to as "the Buccis") were owners, employees and/or officers of Asphalt Specialist, Inc. and Prime Contractors, Inc. Asphalt Specialist and Prime Contractors are Ohio corporations established in or about 1981 and 1989, respectively, for the purposes of manufacturing asphalt and engaging in the asphalt paving business. On or about February 19, 1992 and again on July 10, 1992, Anthony Bucci and Asphalt Specialist were convicted of various felony violations relating to the manner in which they conducted their paving work. Anthony Bucci was sentenced to six months imprisonment. On or about April 22, 1992, Robert T. Bucci was convicted of a related misdemeanor offense. As a result of the Buccis' convictions, the United States Department of Transportation, on or about March 18, 1993, debarred Anthony Bucci, Robert Bucci, and Asphalt Specialist from participating in any future federal government contracting and government-approved subcontracting until September 17, 1994, September 17, 1993, and March 17, 1996, respectively. On or about March 8, 1994, the United States Department of Labor placed the Bucci brothers and Asphalt Specialist on the list of ineligible bidders for a period of three years as a result of the Buccis' convictions. On or about September 10, 1992, the Ohio Department of Transportation debarred the Bucci brothers and Asphalt Specialist for a period of three years as a result of the Buccis' convictions.

7. At all times relevant to this Indictment, Arthur David Sugar, Sr. (aka Dave Sugar) was the President of Honey Creek Contracting Company Incorporated ("Honey Creek"), a company engaged in commercial construction.

8. At all times relevant to this Indictment, the Youngstown Central Area Community Improvement Corporation ("CIC") was an Ohio not-for-profit corporation engaged in the economic development of downtown Youngstown.

9. At times relevant to this Indictment, John J. Cafaro was a Youngstown area businessman affiliated with U.S. Aerospace Group, LLC, an Ohio limited liability company. U.S. Aerospace Group obtained the rights from Cafaro Laser, Ltd., an Ohio limited liability company, to market the commercial application of a laser-guidance technology system (hereinafter "the laser-guidance technology") for use in landing aircraft and navigating water vessels through channels and was seeking certification of that technology from various federal agencies, including the Federal Aviation Administration ("FAA"). Cafaro Laser, Ltd. and U.S. Aerospace Group, LLC are collectively referred to hereinafter as "USAG."

#### COUNT 1

(Conspiracy to Violate the Federal Bribery Statute:

18 U.S.C. §§ 201(b)(1)(A), 201(b)(2)(A) & 371)

1. The allegations contained in paragraphs 1-6 of the General Allegations of this Indictment are realleged and incorporated by reference in this Count.

#### I. THE VIOLATION

2. From in or around December 1986 through October 1996, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio and elsewhere, JAMES A. TRAFICANT, Jr., the Defendant, together with others known and unknown to the Grand Jury who are not charged in this indictment, did knowingly and willfully combine, conspire, confederate and agree together and with each other to commit acts in violation of the federal

bribery statute, Title 18, United States Code, Section 201(b). Specifically, these persons agreed that:

- a. Anthony Bucci, Robert Bucci and others acting in concert with them known to the Grand Jury, directly and indirectly would corruptly give, offer, and promise things of value to Defendant TRAFICANT with the intent to influence Defendant TRAFICANT's official acts.
- b. Defendant TRAFICANT, directly and indirectly would corruptly demand, seek, receive, accept, and agree to receive and accept things of value personally and for any other person and entity in return for being influenced in the performance of official acts.

## II. MANNER AND MEANS OF THE CONSPIRACY

It was part of the conspiracy that:

3. During late 1986 and early 1987, Defendant TRAFICANT helped the Buccis resolve a dispute between their company Asphalt Specialist and a Youngstown, Ohio area labor union. At or about that same time, Asphalt Specialist performed services at the request of Defendant TRAFICANT at Defendant TRAFICANT's farm. On or about May 19, 1987, Asphalt Specialist billed Defendant TRAFICANT \$10,233.25 to cover its costs of labor and materials. Throughout the period from May 1987 through November 1988, Defendant TRAFICANT failed to pay this bill. Acting on behalf of Defendant TRAFICANT and in response to threats of collection actions by the Buccis, Charles O'Nesti told the Buccis that there were actions Defendant TRAFICANT, as their local Congressman, could take to help them if they would forgive the above debt. In response to this overture, Defendant TRAFICANT,

Charles O'Nesti, Anthony Bucci and Robert Bucci met and agreed that the Buccis would forgive the above debt, that Defendant TRAFICANT would intercede in future matters when requested by the Buccis, and that the Buccis would continue to provide additional things of value to Defendant TRAFICANT to influence such official actions.

4. During the time period extending from the above agreement through October 1996, Anthony and Robert Bucci, companies they controlled, and others acting at their request agreed to and did provide things of value to Defendant TRAFICANT, including free labor, materials, supplies and equipment for use at Defendant TRAFICANT's farm.

5. During the time period extending from the above agreement through at least October 1996, Defendant TRAFICANT agreed to and did perform official acts on behalf of the Buccis, including interventions in matters pending before the Federal Bureau of Prisons, the Youngstown Community Corrections Association, the Ohio Department of Transportation, the United States Departments of Transportation and Labor, the Weathersfield Township Board of Trustees, the Office of the Mahoning County Engineer, and the loan department of a bank in Youngstown.

### III. OVERT ACTS

6. The following overt acts, among others, were performed in the Northern District of Ohio and elsewhere in furtherance of the conspiracy:

#### Overt Act 1

On or about September 2, 1992, Defendant TRAFICANT, Charles O'Nesti, and Robert Bucci met with David Dreger, the Deputy Director of the Ohio Department of Transportation (ODOT) in charge of the district which encompassed Youngstown, Ohio. During this meeting,

Defendant TRAFICANT complained about the way ODOT Inspector Tom Williams was treating the Buccis and threatened to take action against ODOT if ODOT's actions caused the Buccis to go out of business.

Overt Act 2

On or about November 4, 1992, Defendant TRAFICANT sent a letter to the Warden of the federal prison facility in North Carolina where Anthony Bucci was incarcerated, advising the Warden that Anthony Bucci had experienced no other problems with the federal judicial system, claiming "this was an unusual case," and asking that Anthony Bucci be transferred to a federal prison in Pennsylvania so that he could be closer to his family.

Overt Act 3

On or about March 22, 1993, Defendant TRAFICANT sent a letter to the Director of the Community Corrections Association, a halfway house facility in Youngstown, Ohio at which Anthony Bucci was then incarcerated. Defendant TRAFICANT sent the letter in response to a disciplinary action taken by the facility against Anthony Bucci. In the letter, Defendant TRAFICANT stated that "this is an unusual case," thanked the Director for information supplied in their telephone conversation earlier that day, and thanked the Director for his willingness to mitigate the problem.

Overt Act 4

On or about April 8, 1993, Defendant TRAFICANT telephoned Wilbert Baccus, Associate Counsel for the U.S. Department of Transportation, Federal Highway Administration (FHWA), and said he was upset with the FHWA's proposal to debar Robert Bucci, Asphalt Specialist and possibly Prime Contractors. Defendant TRAFICANT expressed concern that the

debarments would exacerbate the economic hardships of his district, falsely claiming 150 jobs would be lost. Defendant TRAFICANT said that although he did not condone what the Bucci brothers did, Anthony Bucci was being made "the sacrificial lamb" and Robert Bucci, who had only been convicted of a misdemeanor, should not be debarred. Defendant TRAFICANT stated that if the FHWA moved forward with the debarments, he might contact Federico Pena, the Secretary of Transportation, and conduct a Congressional investigation regarding the matter.

Overt Act 5

On or about April 8, 1993, Defendant TRAFICANT sent a letter to Wilbert Baccus thanking him for the courtesy extended in their telephone conversation, notifying Baccus that Anthony Bucci was voicing his opposition, through Defendant TRAFICANT as his representative, to his proposed debarment, asking Baccus to consider the arguments raised in their earlier telephone conversation, and asking the FHWA to "preclude" Prime Contractors and Robert Bucci from any legal action.

Overt Act 6

On or about May 20, 1993, Defendant TRAFICANT sent a letter to Secretary of Transportation Federico Pena stating that Cheryl Bucci was President of Prime Contractors, that her husband Anthony Bucci and his company Asphalt Specialist were recently convicted of a felony and were pending debarment by the Department of Transportation, and that Anthony's brother Robert was convicted of a misdemeanor and was in danger of debarment. The letter contained the following false statements: that Anthony and Robert had no connection to Prime Contractors other than marriage, that Prime Contractors had been operated solely by Cheryl Bucci for the past four years, that Cheryl had remarkable experience and expertise in the



profession and that Prime Contractors employed approximately 150 employees. Defendant TRAFICANT recommended that the FHWA not debar Robert Bucci and asked to meet with Secretary Pena personally to discuss these matters.

Overt Act 7

On or about January 27, 1994, Defendant TRAFICANT sent a letter to the President of a Youngstown area bank complaining that the bank had "sloughed off" a local businessman known to the Grand Jury who operated a construction company and a cement company (hereinafter "cement contractor"), whom the Administrative Assistant for Defendant TRAFICANT had referred to the bank for the purpose of obtaining financing for a new cement company. The new cement company was a joint venture between the cement contractor, the Buccis, and an additional third party known to the Grand Jury. The letter did not make any mention of the Buccis' involvement in the company.

Overt Act 8

On or about May 26, 1995, Defendant TRAFICANT engaged in a telephone conversation with ODOT Inspector Tom Williams and the Buccis. During the conversation, Defendant TRAFICANT complained about Williams's treatment of the Buccis and said he would contact the Director of ODOT and the Ohio Governor's office to have Williams fired unless Williams backed off the Buccis.

Overt Act 9

At some point believed to be prior to 1996, the exact date being unknown to the Grand Jury, Defendant TRAFICANT gave the Buccis a list of things he wanted the Buccis to do for him.

Overt Act 10

On or about June 8, 1995, Defendant TRAFICANT telephoned ODOT Director Jerry Wray regarding the Buccis and their problems with ODOT Inspector Tom Williams. Defendant TRAFICANT requested that Director Wray meet with the Buccis personally and falsely told Wray that there were 250 jobs at stake.

Overt Act 11

During the mid-1990's, the exact dates being unknown to the Grand Jury, the Buccis paid one of their employees to work full-time as a farm hand for a period of approximately six months at Defendant TRAFICANT's farm. The employee repaired farm machinery, tended horses, cleaned horse stalls, bailed hay, mended fences, assisted with carpentry work in the barns and performed other duties as assigned by Defendant TRAFICANT. Defendant TRAFICANT did not pay for these services.

Overt Act 12

During the mid-1990's, the exact date being unknown to the Grand Jury, Defendant TRAFICANT met with the Buccis and a member of Defendant TRAFICANT's Congressional staff known to the Grand Jury who was also a member of the Weathersfield Township Board of Trustees and discussed Weathersfield Township's withholding of payment to the Buccis.

Overt Act 13

On or about March 27, 1996, a staff member acting at the direction of Defendant TRAFICANT sent a memorandum to a staff member of the United States Department of Labor. The memorandum explained that although the Department of Labor had debarred the Buccis from participating in government contracts for three years beginning in March 1994, the U.S.

Department of Transportation had reduced similar debarments against the Buccis to 18 months for Anthony Bucci and six months for Robert Bucci. The memorandum falsely stated that as the bidding for 1996 contracts "reaches fever pitch," the Buccis would go under, and with them 250 "hard working Ohioans" if the Buccis were unable to obtain contracts. The memorandum further stated that Defendant TRAFICANT wanted the Secretary of Labor to know that it would devastate the Buccis' business if they had to wait the usual sixty day period for the Department of Labor to consider whether to grant the Buccis' request for early removal from the debarment list.

Overt Act 14

On or about April 30, 1996, Anthony Bucci and Robert Bucci met with a United States Department of Labor Investigator concerning their debarments.

Overt Act 15

On or about May 8, 1996, Defendant TRAFICANT telephoned the Department of Labor investigator assigned to the Bucci debarment case to ascertain why the Buccis' request for early removal from the debarred bidders list was being delayed.

Overt Act 16

On or about June 24, 1996, Defendant TRAFICANT telephoned ODOT Director Jerry Wray and complained that ODOT had rejected a bid from the Buccis' company which was the lowest bid received.

Overt Act 17

In or about September 1996, Defendant TRAFICANT instructed Charles O'Nesti to contact the Mahoning County Engineer regarding a dispute between Prime Contractors and

another Youngstown, Ohio area paving contractor over the Mahoning County paving contract for 1996.

All in violation of Title 18, United States Code, Section 371.

The Grand Jury further charges:

COUNT 2

(Conspiracy to Violate the Federal Bribery Statute: 18 U.S.C. §§ 201(c) & 371)

1. The allegations contained in paragraphs 1-4 and 7-8 of the General Allegations of this Indictment are realleged and incorporated by reference in this Count.

I. THE VIOLATION

2. From in or about April 1999 through late April 2000, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio and elsewhere, JAMES A. TRAFICANT, Jr., the Defendant, together with others known and unknown to the Grand Jury who are not charged in this Indictment, did knowingly and willfully combine, conspire, confederate and agree together and with each other to commit acts in violation of the federal bribery statute, Title 18, United States Code, Section 201(c). Specifically, these persons agreed that Defendant TRAFICANT, otherwise than as provided by law for the proper discharge of his official duty, directly and indirectly would demand, seek, receive, accept and agree to receive and accept things of value personally for and because of official acts performed and to be performed by Defendant TRAFICANT.

## II. MANNER AND MEANS OF THE CONSPIRACY

It was part of the conspiracy that:

3. In or about April 1999 Arthur David Sugar, his son and Defendant TRAFICANT met to discuss a DUI case that was pending in Licking County, Ohio against Sugar's son. Sugar was seeking to have Defendant TRAFICANT help his son obtain a reduced sentence and obtain a transfer to and work release privileges from a half-way house facility in Youngstown, Ohio. Defendant TRAFICANT said he would look into the matter and see what he could do to help. At the conclusion of the meeting, Defendant TRAFICANT asked Sugar and his son to accompany him to his farm, telling them he had some work he thought they could do to help him. Sugar and his son accompanied Defendant TRAFICANT to the farm, where Defendant TRAFICANT showed them several tasks he wanted them to perform. Sugar and his son, understanding that Defendant TRAFICANT did not intend to pay them for this work and that Defendant TRAFICANT expected them to perform the work because of Defendant TRAFICANT's willingness to take official actions on their behalf, agreed to do the work.

4. Defendant TRAFICANT performed official acts on behalf of Sugar during 1999, including submitting a letter on behalf of Sugar's son to Sugar's lawyer for attachment to a bond motion to be filed with the Licking County Common Pleas Court, directing a staff member to contact the Director of the Youngstown Community Corrections Association (half-way house), and directing staff members to help Sugar resolve problems his company, Honey Creek, was having with various government entities, including the United States Department of Agriculture (USDA).

5. In or about April 1999, Sugar, his son, Honey Creek, and others acting at Sugar's direction, provided free labor, materials and supplies to Defendant TRAFICANT at his farm at the request of Defendant TRAFICANT. These things of value included repairs to field drainage systems, cutting roads, removing trees, obtaining and spreading stone, grading and site preparation work.

6. Upon learning in December 1999 that the Federal Bureau of Investigation (FBI) was actively investigating Defendant TRAFICANT's activities, Defendant TRAFICANT gave Sugar an unsolicited check for \$1,142 to conceal Defendant TRAFICANT's request for and acceptance of these free services and materials.

7. After learning of the FBI investigation, Defendant TRAFICANT continued to seek services and materials from Sugar, including requests for Sugar to haul farm machinery from Defendant TRAFICANT's farm and to pour a concrete floor in a barn located at Defendant TRAFICANT's personal residence in Poland, Ohio.

8. Between November 3, 1999 and April 2000, Defendant TRAFICANT attempted to help Sugar secure a contract to demolish the former Higbee building in downtown Youngstown, Ohio by attempting to persuade the Youngstown Central Area Community Improvement Corporation (CIC) to modify the specifications of the demolition contract in a way that would benefit Sugar and by threatening to cut future funding of CIC projects unless the CIC gave the contract to Sugar.

### III. OVERT ACTS

9. The following overt acts, among others, were performed in the Northern District of Ohio in furtherance of the conspiracy:

#### Overt Act 1

In or about April 1999, Sugar, his son, Honey Creek, and others acting at Sugar's direction, provided labor, materials and the use of equipment to Defendant TRAFICANT at his farm. These things of value included repairing field drainage systems, removing trees, cutting roads, obtaining and spreading gravel, grading and site preparation work.

#### Overt Act 2

On or about July 6, 1999, Defendant TRAFICANT submitted a letter to an attorney for inclusion in a bond motion being filed with the Licking County Court of Common Pleas. In the letter, Defendant TRAFICANT noted that both Sugar and his son "have always risen to the occasion in our community by donating either equipment and/or materials for all sorts of charitable causes." Defendant TRAFICANT also offered to discuss the matter with the Judge upon request.

#### Overt Act 3

On or about July 15, 1999, a staff member, acting at the direction of Defendant TRAFICANT, contacted the Director of the Youngstown Community Corrections Association, seeking to help Sugar's son obtain work release privileges while serving his DUI sentence.

Overt Act 4

On or about December 23, 1999, Defendant TRAFICANT gave Sugar an unsolicited check in the amount of \$1,142, which was significantly less than the value of the labor and materials supplied by Sugar and Honey Creek, explaining that the Federal Bureau of Investigation was investigating him and that he had to make sure he paid everyone something. Defendant TRAFICANT instructed Sugar to cash the check and maintain a photocopy of the check in a file.

Overt Act 5

On or about March 17, 2000, a Honey Creek employee, acting at the direction of Sugar, transported a piece of large farm equipment from Defendant TRAFICANT's farm to a farm in Pennsylvania.

Overt Act 6

During the period March 27, 2000 through March 31, 2000, Honey Creek employees, acting at the direction of Sugar, poured a concrete floor in a barn located at Defendant TRAFICANT's personal residence in Poland, Ohio.

Overt Act 7

On or about March 27, 2000, Defendant TRAFICANT sent a letter to the Youngstown Central Area Community Improvement Corporation (CIC) requesting that CIC save the historic tile facade from the Higbee demolition project for use in a new Federal Courthouse to be constructed in Youngstown, Ohio.



Overt Act 8

At some point between late March and mid-April, 2000, the exact date being unknown, Defendant TRAFICANT gave Sugar several items of personal property, including a piano, to make it falsely appear that Sugar had performed the work set forth in Overt Acts 5 and 6 of this Count as part of a legitimate arms-length transaction.

Overt Act 9

On or about April 19, 2000, Defendant TRAFICANT placed a telephone call to a consultant working for the Youngstown Central Area Community Improvement Corporation (CIC), to complain that the CIC was awarding the Higbee demolition contract to an out-of-state contractor.

All in violation of Title 18, United States Code, Section 371.

The Grand Jury further charges:

COUNT 3

(Conspiracy to Violate the Federal Bribery Statute: 18 U.S.C. §§ 201(c) & 371)

1. The allegations contained in paragraphs 1, 2, and 9 of the General Allegations of this Indictment are realleged and incorporated by reference in this Count.

I. THE VIOLATION

2. From in or about November 1997 through March 2000, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio and elsewhere, JAMES A. TRAFICANT, Jr., the Defendant, together with others known and unknown to the Grand Jury who are not charged in this Indictment, did knowingly and willfully combine, conspire, confederate and agree together and with each other to commit acts in violation of the federal

bribery statute, Title 18, United States Code, Section 201(c). Specifically, these persons agreed that Defendant TRAFICANT, otherwise than as provided by law for the proper discharge of his official duty, directly and indirectly would demand, seek, receive, accept and agree to receive and accept things of value personally for and because of official acts performed and to be performed by Defendant TRAFICANT.

## II. MANNER AND MEANS OF THE CONSPIRACY

It was part of the conspiracy that:

3. In or around November of 1997, during a time when John J. Cafaro was seeking Defendant TRAFICANT's assistance in having laser-guidance technology certified by the Federal Aviation Administration (FAA), Defendant TRAFICANT asked Cafaro to assist him in arranging repairs on a wooden boat Defendant TRAFICANT owned.

4. On or about February 4, 1998, Defendant TRAFICANT attended a demonstration of USAG's laser-guidance technology in Manassas, Virginia.

5. Following the February 4, 1998 demonstration, USAG paid for the following meal expenses incurred by Defendant TRAFICANT and USAG's Chief Operating Officer (hereinafter "the COO") while meeting at the Taverna restaurant in Washington, D.C. to discuss and plan actions Defendant TRAFICANT was taking and would take on behalf of USAG:

<u>Date</u>	<u>Amount</u>
04/29/98	\$157.08
05/06/98	105.59
05/20/98	92.28
06/17/98	92.03
06/23/98	112.53
07/14/98	68.69
07/16/98	90.58

07/23/98	105.43
09/09/98	124.73
09/15/98	83.54
09/24/98	140.45
10/06/98	129.57
10/12/98	136.83
02/24/99	70.88
03/23/99	101.28
04/12/99	116.65
04/21/99	104.23
05/11/99	135.02
05/19/99	120.00
09/22/99	148.98
09/29/99	124.62
10/06/99	110.32
10/13/99	88.68
10/18/99	79.84
10/21/99	90.08
10/26/99	180.06
11/03/99	77.87
11/10/99	56.39
11/16/99	142.67
12/17/99	34.39

6. During the period between February 4, 1998 and July 28, 1998, Defendant TRAFICANT took numerous official actions to promote the laser-guidance technology marketed by USAG, including actions to encourage certification of the technology by the FAA and to promote use of the technology by the FAA, the United States Army, and the United States Coast Guard.

7. In or about July 1998, the COO told Cafaro that Defendant TRAFICANT was having financial problems with his boat. The COO explained that Defendant TRAFICANT owed approximately \$26,000 on a loan on the boat, the boat needed major, costly repairs and Defendant TRAFICANT could not sell the boat until the repairs were made. The COO further told Cafaro that given the value of Defendant TRAFICANT's assistance to USAG, USAG could

assist Defendant TRAFICANT by purchasing the boat, paying for the needed repairs and using the boat to demonstrate the nautical applications of USAG's laser-guidance technology.

Although the purchase of Defendant TRAFICANT's boat was not in the best interest of USAG from a business standpoint, Cafaro agreed to purchase the boat from Defendant TRAFICANT as a favor to Defendant TRAFICANT for and because of the official actions Defendant TRAFICANT had taken and would take on behalf of USAG.

8. In or about July 1998, Cafaro was given a payoff figure for Defendant TRAFICANT's boat loan and was requested to provide funds in that amount so the boat could be purchased from Defendant TRAFICANT. On or about July 28, 1998, Cafaro had an employee purchase a cashier's check in the amount of \$26,948.18 payable to Nations Bank, the bank holding the boat loan, and listing Defendant TRAFICANT as the purchaser of the cashier's check. Defendant TRAFICANT subsequently expressed concern about the transaction, saying he feared it would look bad if it ever became public that Cafaro had purchased the boat during the time Defendant TRAFICANT was promoting the technology of Cafaro's company. Accordingly, Defendant TRAFICANT said they would have to find another way to complete the sale.

9. Defendant TRAFICANT, Cafaro, the COO and USAG's Chief Engineer (hereinafter "the Engineer") thereafter agreed to a plan whereby they would conceal Cafaro's purchase of the boat by making it falsely appear as though the Engineer was purchasing the boat in his individual capacity. As part of that plan, Defendant TRAFICANT and the Engineer entered into a handwritten purchase agreement. The agreement provided that the Engineer would arrange and pay for repairs to Defendant TRAFICANT's boat and then pay him \$26,000 to

complete the sale at the conclusion of the repairs. Contrary to the terms of this agreement, Defendant TRAFICANT understood that Cafaro was in fact the person who was actually purchasing the boat and paying for the costs of the repairs.

10. During the summer of 1998, the Engineer hired a crew to perform repairs on the boat. During 1998 and 1999, the Engineer paid a total of approximately \$26,000 for repairs to the boat, slip fees, and other expenses incurred during the period of the repairs. Cafaro repeatedly reimbursed the Engineer for funds expended for boat repairs and slip fees.

11. In or about October or November 1998, Defendant TRAFICANT complained to Cafaro that he was experiencing financial difficulties and asked Cafaro to give him an advance on the \$26,000 purchase price of the boat. Cafaro agreed to give Defendant TRAFICANT approximately one-half of the purchase price. On November 14, 1998, Cafaro gave Defendant TRAFICANT an envelope containing \$13,000 cash. Cafaro gave Defendant TRAFICANT this \$13,000 for and because of the official actions Defendant TRAFICANT was taking and would take on behalf of USAG.

12. During the period from November 1998 through February 2000, Defendant TRAFICANT continued to promote the use of USAG's laser-guidance technology with various federal agencies and departments.

13. In or about April and May 1999, respectively, Defendant TRAFICANT asked the COO if USAG had a generator and welder he could use. Based on this request, USAG purchased a new generator and welder and USAG employees delivered them to Defendant TRAFICANT for and because of the official actions Defendant TRAFICANT was taking and would take on behalf of USAG. Defendant TRAFICANT did not pay USAG for the generator and welder.

### III. OVERT ACTS

14. The following overt acts, among others, were performed in the Northern District of Ohio and elsewhere in furtherance of the conspiracy:

#### Overt Act 1

On or about April 17, 1998, Defendant TRAFICANT instructed a staff member at his Youngstown district office to give a copy of an April 14, 1998 press release to Cafaro. The press release contained an announcement that Defendant TRAFICANT wanted the FAA to make the installation of enhanced vision technologies at U.S. airports part of the Clinton Administration's aviation safety agenda.

#### Overt Act 2

On or about June 17, 1998, Cafaro received a facsimile at his Youngstown-area office from the COO, telling him that Defendant TRAFICANT intended to ask FAA Administrator Jane Garvey to attend a joint briefing with him in Manassas, Virginia.

#### Overt Act 3

On or about July 28, 1998, Cafaro instructed an employee at his Youngstown-area office to purchase a cashier's check in the amount of \$26,948.18 at a Liberty, Ohio bank. The check was made payable to Nations Bank, the holder of Defendant TRAFICANT's boat loan, and listed "J. Traficant" as purchaser.

#### Overt Act 4

On or about August 13, 1998, Cafaro received a facsimile at his Youngstown-area office from the Engineer, reminding him to bring \$3,500 cash with him for use in the "operation that you and Rick discussed at your meeting yesterday."

Overt Acts 5 - 9

On or about the dates set forth below, Cafaro obtained checks from Youngstown-area banks in the following amounts to reimburse monies the Engineer had expended for the repairs, slip fees, and other expenses on Defendant TRAFICANT's boat:

<u>Overt Act</u>	<u>Date</u>	<u>Amount</u>
5	8/13/98	\$3,500
6	8/27/98	\$3,800
7	9/10/98	\$3,000
8	9/28/98	\$6,000
9	12/24/98	\$8,000

Overt Act 10

On or about January 17, 2000, the Engineer received a USAG check in the amount of \$2,172 in Virginia to reimburse him for monies he expended for repairs, slip fees, and other expenses on Defendant TRAFICANT's boat.

Overt Act 11

On or about November 14, 1998, Cafaro gave Defendant TRAFICANT an envelope containing \$13,000 cash while driving in the vicinity of Youngstown State University.

All in violation of Title 18, United States Code, § 371.

The Grand Jury further charges:

COUNT 4

(Conspiracy to Violate the Federal Bribery Statute: 18 U.S.C. §§ 201(c) & 371)

1. The allegations contained in paragraphs 1-4 of the General Allegations of this Indictment are realleged and incorporated by reference in this Count.

I. THE VIOLATION

2. From in or about November 1998, and continuing until in or about January 2000, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio and elsewhere, JAMES A. TRAFICANT, Jr., the Defendant, together with others known and unknown to the Grand Jury who are not charged in this Indictment, did knowingly and willfully combine, conspire, confederate and agree together and with each other to commit acts in violation of the federal bribery statute, Title 18, United States Code, Section 201(c). Specifically, these persons agreed that Defendant TRAFICANT, otherwise than as provided by law for the proper discharge of his official duty, directly and indirectly would demand, seek, receive, accept and agree to receive and accept things of value personally for and because of the official acts performed and to be performed by Defendant TRAFICANT.

II. MANNER AND MEANS OF THE CONSPIRACY

It was part of the conspiracy that:

3. In or about November 1998, Defendant TRAFICANT offered to employ a Youngstown-area attorney known to the Grand Jury (hereinafter "the attorney") as Administrative Counsel on his Congressional staff and to continue to lease office space for use as a Congressional district office at 11 Overhill Road, Boardman, Ohio, provided that the attorney:



(a) rent additional Congressional office space to Defendant TRAFICANT at 11 Overhill Road, Boardman, Ohio, and (b) divert \$2,500 per month from his salary as a Congressional staff employee to Defendant TRAFICANT.

4. In or about November 1998, Defendant TRAFICANT referred the attorney to his Administrative Assistant for instructions about how to make the monthly payments to Defendant TRAFICANT.

5. In or about November 1998, the attorney met with Defendant TRAFICANT's Administrative Assistant, who acknowledged that he also had diverted a portion of his salary to Defendant TRAFICANT and explained that the procedure for giving money to Defendant TRAFICANT was to cash the Congressional pay check at a financial institution, obtain cash, place the cash into an envelope and slide the envelope with cash under the door of Defendant TRAFICANT's office at 11 Overhill Road, Boardman, Ohio.

6. In or about November 1998, the attorney became Administrative Counsel on Defendant TRAFICANT's Congressional staff and, in December 1998, commenced making monthly cash payments from his Congressional salary in the amount of \$2,500 each to Defendant TRAFICANT.

### III. OVERT ACTS

7. The following overt acts, among others, were performed in the Northern District of Ohio in furtherance of the conspiracy:

Overt Act 1

In or about November 1998, Defendant TRAFICANT offered to employ a Youngstown-area attorney as Administrative Counsel on his Congressional staff and remain a tenant in office space at 11 Overhill Road, Boardman, Ohio, provided that the attorney: (a) rent additional Congressional district office space to Defendant TRAFICANT at 11 Overhill Road, Boardman, Ohio, and (b) divert \$2,500 per month from his salary as a Congressional staff employee to Defendant TRAFICANT.

Overt Act 2

In or about November 1998, Defendant TRAFICANT directed the attorney to meet with his Administrative Assistant for instructions about how to make the monthly payments to Defendant TRAFICANT.

Overt Act 3

In or about November 1998, the attorney met with Defendant TRAFICANT's Administrative Assistant, who told him how to make cash payments from his Congressional pay check to Defendant TRAFICANT.

Overt Act 4

In or about November 1998, the attorney accepted Defendant TRAFICANT's offer of employment and became employed as Administrative Counsel under the terms and conditions specified in paragraph 3 of this count.

Overt Acts 5-17

Commencing in December 1998 and continuing until early January 2000, the attorney, on a monthly basis, took \$2,500 from his Congressional pay check and made a \$2,500 cash payment to Defendant TRAFICANT.

All in violation of Title 18, United States Code, Section 371.

The Grand Jury further charges:

COUNT 5

(18 U.S.C. § 201(c)(1)(B))

1. The allegations contained in paragraphs 1-4 of the General Allegations of this Indictment are realleged and incorporated by reference in this Count.
2. Beginning in or about December 1998 and continuing until in or about January 2000, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio, JAMES A. TRAFICANT, Jr., the Defendant, being a public official within the meaning of Title 18, United States Code, § 201(a)(1), otherwise than as provided by law for the proper discharge of official duty, did directly and indirectly demand, seek, receive, accept and agree to receive and accept a thing of value personally for and because of any official act performed and to be performed by the Defendant, in that Defendant TRAFICANT demanded, sought, received, accepted and agreed to receive and accept \$2,500 per month from the Congressional salary of his Administrative Counsel for and because of Defendant TRAFICANT's official acts of hiring and continuing to employ the Administrative Counsel on his Congressional staff and of renting and continuing to rent space used by Defendant TRAFICANT as a Congressional field office at 11 Overhill Road, Boardman, Ohio.

All in violation of Title 18, United States Code, § 201(c)(1)(B).

The Grand Jury further charges:

COUNT 6

(Obstruction of Justice: 18 U.S.C. § 1503)

From on or about January 21, 2000 and continuing until on or about February 29, 2000, in the Northern District of Ohio, JAMES A. TRAFICANT, Jr., the Defendant, did corruptly endeavor to influence, obstruct and impede the due administration of justice by endeavoring to persuade his Administrative Counsel to destroy evidence and to provide false testimony and information to a federal grand jury which was empaneled in the Northern District of Ohio and which Defendant TRAFICANT knew had issued federal grand jury subpoenas.

All in violation of Title 18, United States Code, Section 1503.

The Grand Jury further charges:

COUNT 7

(Conspiracy to Defraud the United States: 18 U.S.C. § 371)

1. The allegations contained in paragraphs 1-5 of the General Allegations of this Indictment are realleged and incorporated by reference in this Count.

I. THE VIOLATION

2. From the late 1980's, and continuing until early 2000, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio, JAMES A. TRAFICANT, Jr., the Defendant, together with others, known and unknown to the Grand Jury who are not charged in this Indictment, did knowingly and willfully combine, conspire, confederate and agree together and with each other to defraud the United States of money and property.

## II. PURPOSE OF THE CONSPIRACY

3. It was the purpose of the conspiracy for Defendant TRAFICANT to improperly obtain government funds, property, and services for his personal use and benefit by having Congressional employees make improper payments from their Congressional salary to him and by having employees improperly perform personal labor and services on his boat and at the Farm.

## III. MANNER AND MEANS OF THE CONSPIRACY

It was part of the conspiracy that:

4. Defendant TRAFICANT solicited and accepted payments from the salaries of high-ranking Congressional employees at his Youngstown-area field offices, which salaries were drawn from funds of the United States Treasury.

5. The allegations contained in paragraphs 3-6 of Count 4 of this Indictment are realleged and incorporated by reference in this Count as part of the Manner and Means of this Conspiracy.

6. In or about the early 1990's, the exact date being unknown to the Grand Jury, Defendant TRAFICANT directed employees of his Youngstown and Washington, D.C. Congressional staff, who were receiving U.S. government salaries which were funded by the United States Treasury, to labor on maintaining and repairing Defendant TRAFICANT's personal boat located in the Washington, D.C. area. The employees complied. Defendant TRAFICANT did not pay the employees for their labor.

7. Beginning in or about 1988 and continuing until in or about February 2000, the exact dates being unknown to the Grand Jury, Defendant TRAFICANT repeatedly directed

employees of his Youngstown and Niles, Ohio Congressional staff known to the Grand Jury, who were receiving U.S. government salaries which were funded by the United States Treasury, to labor at Defendant TRAFICANT's farm doing various farm chores, including but not limited to baling hay, running and repairing farm equipment, maintaining and repairing structures such as barn walls, horse stalls and a farm house deck, building a horse corral, converting a corn crib to another use, electrical repair, and plumbing repair. The employees repeatedly complied. One of those employees performed manual labor at Defendant TRAFICANT's farm on at least 150 occasions during this time period. Defendant TRAFICANT did not pay the employees for their labor.

#### IV. OVERT ACTS

8. The following overt acts, among others, were performed in the Northern District of Ohio in furtherance of the conspiracy:

##### Overt Acts 1-13

Beginning in December 1998 and continuing through January 2000, Defendant TRAFICANT's Administrative Counsel made 13 monthly payments from his U.S. Government salary to Defendant TRAFICANT in the amount of \$2,500 each.

##### Overt Act 14

During the time period between May and December 1996, the exact dates being unknown to the Grand Jury, Defendant TRAFICANT directed one of his Congressional staff employees known to the Grand Jury (hereinafter "Employee One"), who was receiving a U.S. Government salary, to perform manual labor at Defendant TRAFICANT's farm.

Overt Act 15

During 1997, the exact dates being unknown to the Grand Jury, Defendant TRAFICANT directed Employee One, who was receiving a U.S. Government salary, to perform manual labor at Defendant TRAFICANT's farm.

Overt Act 16

During 1998, the exact dates being unknown to the Grand Jury, Defendant TRAFICANT directed Employee One, who was receiving a U.S. Government salary, to perform manual labor at Defendant TRAFICANT's farm.

Overt Act 17

During 1999, the exact dates being unknown to the Grand Jury, Defendant TRAFICANT directed Employee One, who was receiving a U.S. Government salary, to perform manual labor at Defendant TRAFICANT's farm.

Overt Act 18

During the Summer of 1996, the exact dates being unknown to the Grand Jury, Defendant TRAFICANT directed one of his Congressional staff employees known to the Grand Jury (hereinafter "Employee Two"), who was receiving a U.S. Government salary, to perform manual labor at Defendant TRAFICANT's farm.

All in violation of Title 18, United States Code, Section 371.

The Grand Jury further charges:

COUNT 8

(Filing False Tax Return: 26 U.S.C. § 7206(1))

On or about April 15, 1999, in the Northern District of Ohio, JAMES A. TRAFICANT, Jr., the Defendant, a resident of Poland, Ohio, did willfully make and subscribe a joint U. S. Individual Income Tax Return, Form 1040, on behalf of himself and his wife for the calendar year 1998, which was verified by a written declaration by Defendant TRAFICANT that it was made under the penalties of perjury, and was filed with the Internal Revenue Service, which return Defendant TRAFICANT did not believe to be true and correct as to every material matter, in that the return reported his and his wife's total income on line 22 in the amount of \$138,985, whereas, as Defendant TRAFICANT then and there well knew and believed, the true and correct amount of his and his wife's total income was substantially in excess of the reported amount.

All in violation of Title 26, United States Code, Section 7206(1).

The Grand Jury further charges:

COUNT 9

(Filing False Tax Return: 26 U.S.C. § 7206(1))

On or about October 16, 2000, in the Northern District of Ohio, JAMES A. TRAFICANT, Jr., the Defendant, a resident of Poland, Ohio, did willfully make and subscribe a joint U. S. Individual Income Tax Return, Form 1040, on behalf of himself and his wife for the calendar year 1999, which was verified by a written declaration by Defendant TRAFICANT that it was made under the penalties of perjury, and was filed with the Internal Revenue Service, which return Defendant TRAFICANT did not believe to be true and correct as to every material



matter, in that the return reported his and his wife's total income on line 22 in the amount of \$140,163, whereas, as Defendant TRAFICANT then and there well knew and believed, the true and correct amount of his and his wife's total income was substantially in excess of the reported amount.

All in violation of Title 26, United States Code, Section 7206(1).

The Grand Jury further charges:

COUNT 10

(RICO: 18 U.S.C. § 1962(c))

I. THE ENTERPRISE

1. The allegations contained in paragraphs 1-9 of the General Allegations of this Indictment are realleged and incorporated by reference in this Count.
2. From in or about January 1985 through the date of this Indictment, JAMES A. TRAFICANT, Jr., the Defendant herein, served as the elected member of the United States House of Representatives for the 17th Congressional District of Ohio. In this capacity, Defendant TRAFICANT supervised the operations of his Congressional office in Washington, D.C. and field offices in the 17th Congressional District of Ohio. In addition, he supervised the activities of Congressional staff members who worked in those offices. Defendant JAMES A. TRAFICANT, Jr., together with these offices and individuals, constituted an enterprise as defined in Title 18, United States Code, Section 1961(4), which enterprise is hereafter referred to as the Office of Congressman James A. Traficant, Jr. This enterprise was engaged in, and its activities affected, interstate and foreign commerce.

## II. THE RACKETEERING VIOLATION

3. From in or about 1985 through April 2000, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio and elsewhere, JAMES A. TRAFICANT, Jr., the Defendant herein, being a person employed by and associated with the Office of Congressman James A. Traficant, Jr., which enterprise was engaged in, and the activities of which affected, interstate and foreign commerce, did knowingly and unlawfully, conduct and participate, directly and indirectly, in the conduct of the affairs of the above enterprise through the following pattern of racketeering activity within the meaning of Title 18, United States Code, Sections 1961(1) & 1961(5):

## III. THE PATTERN OF RACKETEERING ACTIVITY

### A. Acts Relating to Bribery: Racketeering Act 1

#### Racketeering Act 1

From in or around December 1986 through October 1996, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio and elsewhere, Defendant TRAFICANT, being a public official, directly and indirectly corruptly demanded, sought, received, accepted, and agreed to receive and accept things of value personally and for any other person and entity in return for being influenced in the performance of official acts for the Buccis and their companies as alleged in paragraphs 3 through 5 and all overt acts of paragraph 6 of Count 1 of this Indictment, which allegations are realleged and incorporated by reference in this Act, in violation of Title 18, United States Code, Section 201(b)(2)(A).

B. Acts Relating to Bribery: Racketeering Acts 2 through 7

During the time periods set forth below for racketeering acts 2 through 7, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio and elsewhere, Defendant TRAFICANT, being a public official, otherwise than as provided by law for the proper discharge of his official duty, directly and indirectly did demand, seek, receive, accept, and agree to receive and accept things of value personally for and because of official acts performed and to be performed by Defendant TRAFICANT in violation of Title 18, United States Code, Section 201(c)(1)(B), as follows:

Racketeering Act 2

During 1993, Defendant TRAFICANT demanded, sought, received, accepted and agreed to receive and accept labor and materials in the construction of an addition and deck on the farm house at the farm from a Youngstown-area businessman known to the Grand Jury who ran an international commercial construction company for and because of official acts performed by Defendant TRAFICANT in helping the businessman who ran the international commercial construction company secure the release of several million dollars held by a Saudi Arabian prince.

Racketeering Act 3

During 1994, Defendant TRAFICANT demanded, sought, received, accepted and agreed to receive and accept labor and materials, including the installation of concrete floors in the barn and horse stalls at Defendant TRAFICANT's farm, as well as the installation of drainage pipes and water lines, the clearing and hauling of debris and delivery and spreading of gravel at that farm, from Capital Ready Mix, Big G Construction, and a local businessman affiliated with those

companies (hereinafter "cement contractor"), for and because of official actions performed and to be performed by Defendant TRAFICANT in helping the cement contractor secure loans for Capital Ready Mix from a Youngstown, Ohio area bank.

Racketeering Act 4

During the period from November 1997 through March 2000, Defendant TRAFICANT demanded, sought, received, accepted and agreed to receive and accept things of value for and because of official acts performed and to be performed by Defendant TRAFICANT for USAG as alleged in paragraphs 3 through 13 and all overt acts of paragraph 14 of Count 3 of this Indictment, which allegations are realleged and incorporated by reference in this Act.

Racketeering Act 5

From April 1999 through July 1999, the exact dates being unknown to the Grand Jury, Defendant TRAFICANT demanded, sought, received, accepted and agreed to receive and accept labor and materials, including the repair of field drains, cutting of roads, removal of trees, supplying and spreading of gravel and grading and site preparation work at Defendant TRAFICANT's farm, for and because of official acts performed and to be performed by Defendant TRAFICANT in assisting the efforts of Arthur David Sugar's son to obtain a reduced DUI sentence, assisting the efforts of Arthur David Sugar's son to obtain a transfer to and work release privileges from a half-way house facility in Youngstown, Ohio, and assisting Sugar and his company Honey Creek Contracting, Inc., with problems with government entities, including the United States Department of Agriculture.

Racketeering Act 6

During March and April 2000, Defendant TRAFICANT demanded, sought, received, accepted and agreed to receive and accept free labor and the use of trucks and construction equipment in moving a large farm machine from the farm to a farm in Pennsylvania and in installing a concrete floor in a barn located at his personal residence in Poland, Ohio, for and because of official acts performed and to be performed by Defendant TRAFICANT in helping Sugar attempt to obtain a contract to demolish the Higbee building in downtown Youngstown, Ohio.

Racketeering Act 7

During the period from December 1998 through January 2000, Defendant TRAFICANT demanded, sought, received, accepted and agreed to receive and accept \$2,500 per month from the Congressional salary of his Administrative Counsel for and because of Defendant TRAFICANT's official acts of hiring and continuing to employ the Administrative Counsel on his Congressional staff and of renting and continuing to rent space used by Defendant TRAFICANT as a Congressional field office in a building located at 11 Overhill Road, Boardman, Ohio.

C. Acts Relating to Mail Fraud: Racketeering Acts 8 through 10

During the time periods set forth below for racketeering acts 8, 9, and 10, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio, JAMES A. TRAFICANT, Jr., the Defendant, did knowingly and intentionally devise and intend to devise a scheme and artifice to defraud the United States of money and property and, for the purpose of executing such scheme and artifice and attempting to do so, Defendant TRAFICANT caused regular

payroll checks, funded by the United States Treasury for Employee One, Employee Two, and Employee Three, all known to the Grand Jury, who were receiving a U.S. Government salary, to be placed into an authorized depository for mail matters, which checks were delivered by the United States Postal Service.

The scheme and artifice to defraud was in substance as follows:

- a. by employing and continuing to employ Employee One, Employee Two, and Employee Three at his Congressional offices in Ohio, Defendant TRAFICANT caused those employees to receive regular pay checks, funded by the United States Treasury, through mail delivered by the United States Postal Service;
- b. Defendant TRAFICANT directed Employee One, Employee Two, and Employee Three to perform personal services at Defendant TRAFICANT's farm doing various farm chores, including but not limited to baling hay, running and repairing farm equipment, maintaining and repairing structures such as barn walls, horse stalls and a farm house deck, building a horse corral, converting a corn crib to another use, electrical repair, plumbing repair, and other farm chores;
- c. Defendant TRAFICANT did not pay Employee One, Employee Two, and Employee Three for the personal services performed at Defendant TRAFICANT's farm; and
- d. by directing Employee One, Employee Two, and Employee Three to perform personal services at Defendant TRAFICANT's farm and not

paying them, Defendant TRAFICANT funded these personal services at the expense of the United States in the form of U.S. Government compensated time and the U.S. Government salaries that the employees were paid while working at Defendant TRAFICANT's farm.

The following Congressional employees were directed by Defendant TRAFICANT to perform personal services at Defendant TRAFICANT's farm and received regular pay checks in the mail delivered by the United States Postal Service throughout the following time periods, the exact dates being unknown to the Grand Jury:

<u>Racketeering Act #</u>	<u>Employee</u>	<u>Time Period</u>
8	Employee One	1988 to February 2000
9	Employee Two	1991 to 1996
10	Employee Three	October 1990 to July 1992

in violation of Title 18, United States Code, Section 1341.

All in violation of Title 18, United States Code, Section 1962(c).

The Grand Jury further charges:

FORFEITURE ALLEGATIONS

(RICO Forfeiture: 18 U.S.C. § 1963)

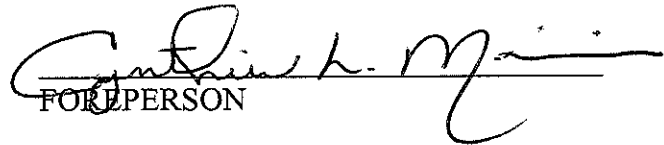
1. The allegations contained in Count 10 of this Indictment are realleged and incorporated by reference in this Count as though fully set forth for the purpose of alleging forfeiture under Title 18, United States Code, Section 1963.
2. The Defendant, JAMES A. TRAFICANT, Jr., (a) has interests acquired and maintained in violation of Title 18, United States Code, Section 1962, which interests are subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963(a)(1), and (b) has property constituting and derived from proceeds obtained, directly and indirectly, from racketeering activity, in violation of Title 18, United States Code, Section 1962, which property is subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963(a)(3).
3. The properties of the Defendant subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963(a)(1) and (a)(3), include but are not limited to the sum of at least \$100,000.
4. If any of the property described herein as being subject to forfeiture, as a result of any act or omission of the Defendant, (a) cannot be located upon the exercise of due diligence; (b) has been transferred or sold to, or deposited with, a third party; (c) has been placed beyond the jurisdiction of the court; (d) has been substantially diminished in value; or (e) has been commingled with other property which cannot be divided without difficulty; it is the intention of

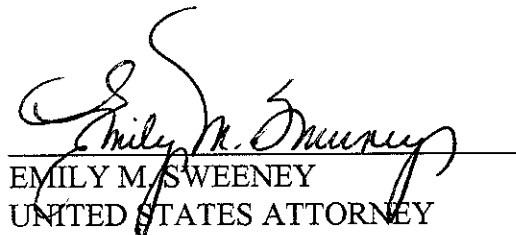


the United States, pursuant to Title 18, United States Code, Section 1963(m), to seek the forfeiture of other property of the Defendant up to the value of the forfeitable property.

All pursuant to Title 18, United States Code, Section 1963.

A TRUE BILL.

  
FOR PERSON

  
EMILY M. SWEENEY  
UNITED STATES ATTORNEY